

Curis, Inc. Announces Sale of its BMP-7 Assets to Stryker Corporation

CAMBRIDGE, Mass., Dec 28, 2007 (BUSINESS WIRE) -- Curis, Inc. (NASDAQ: CRIS), a drug development company focused on seeking to develop proprietary targeted medicines primarily for cancer treatment, today announced that it has entered into an agreement to sell and assign its remaining BMP-7 technologies to Stryker Corporation. Curis' BMP-7 assets primarily comprise intellectual property covering bone morphogenetic protein-7, or BMP-7, and its use for treating various diseases.

Curis will receive an initial payment of \$1 million, which is net of a payment to be made by Curis to a former third party collaborator of Creative BioMolecules, a predecessor company involved in the 2000 merger that formed Curis. In addition to the initial payment, Stryker has agreed to make cash payments to Curis upon the successful achievement of specified clinical development and drug approval objectives. In lieu of royalty payments, Stryker has also agreed to pay additional cash payments upon the achievement of specified net product sales targets, should such targets be achieved within contractually-specified time periods that are based on the expiration of valid claims of Curis' BMP-7 intellectual property. Assuming that at least one product is successfully developed and commercialized by Stryker on a global basis, Curis could receive up to approximately \$41 million in such payments. However, in connection with its receipt of such payments, Curis would be required to make payments of up to approximately \$14 million to the former third-party collaborator if such product candidates or products are designed to treat certain indications affecting chronic kidney disease patients.

"While the completion of this agreement provides Curis with modest cash inflows, it also removes a significant patent portfolio from our internal cost structure, and allows us to continue our efforts to focus on our core small molecule cancer drug programs," said Curis President and CEO Daniel R. Passeri, MSc., J.D. "Going into 2008, substantially all of Curis' internal resources are committed to the development of targeted drug candidates, especially those focused on cancer indications."

Passeri continued, "While these BMP-7 assets are currently in preclinical testing, we are hopeful that Stryker will work diligently to progress the BMP-7 assets into clinical testing. BMP-7 is a complicated protein and poses difficult challenges, particularly involving protein manufacturing. We believe that Stryker is uniquely suited to develop these assets since Stryker has deep experience with BMP-7, including the ability to produce clinical and commercial grade protein. Stryker currently offers OP-1 products, which contain BMP-7, for trauma and spine indications. We are hopeful that Stryker will move the BMP-7 assets towards clinical testing so that this promising preclinical technology can potentially provide a future benefit to patients."

About Curis, Inc.

Curis is a drug development company that is committed to leveraging its innovative signaling pathway drug technologies in seeking to create new medicines, primarily for cancer. In expanding its drug development efforts in the field of cancer through its Targeted Cancer Drug Development Platform, the Company is building upon its experiences in targeting signaling pathways in the areas of cancer, neurological disease and cardiovascular disease. For more information, visit www.curis.com.

Cautionary Statement: This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our hope that Stryker will work diligently to progress the BMP-7 assets into clinical testing. Forward-looking statements used in this press release may contain the words "believes", "expects", "anticipates", "plans", "seeks", "estimates", "will", "may" or similar expressions.

These forward-looking statements are not guarantees of future performance and involve risks, uncertainties, assumptions and other factors that may cause our actual results to be materially different from those indicated by such forward-looking statements including, among other things:

- adverse results, delays and/or failures in our and our strategic collaborators' product development programs, including without limitation adverse events, difficulties with patient enrollment and other unplanned delays in our systemically administered small molecule Hedgehog pathway antagonist compound currently under Phase I clinical development with Genentech and unplanned delays and/or failures in our efforts to advance CUDC-101 and our other programs under the Targeted Cancer Drug Development Platform;
- difficulties or delays in obtaining or maintaining required regulatory approvals for products being developed by us and by our collaborators;
- our and our collaborators' ability to obtain or maintain the patent and other proprietary intellectual property protection necessary for the development and commercialization of products based on our technologies;
- changes in, or our inability to execute, our business plan;
- the risk that we do not obtain the additional funding required to conduct research and development of our product candidates;
- unplanned cash requirements and expenditures which, among other things, could shorten the estimated period in which we will have cash to fund our operations and which could also adversely affect our estimated expenses for the remainder of 2007 and beyond;
- risks relating to our ability to enter into and maintain important strategic collaborations, and the risk that our current and future collaborators will not perform adequately, including such risks with respect to our current collaboration agreements with Genentech and Wyeth;
- competitive pressures; and

-- other risk factors identified in our Quarterly Report on Form 10-Q for the Quarter ended September 30, 2007 and other filings that we periodically make with the Securities and Exchange Commission.

In addition, any forward-looking statements represent our views only as of today and should not be relied upon as representing its views as of any subsequent date. We disclaim any intention or obligation to update any of the forward-looking statements after the date of this press release whether as a result of new information, future events or otherwise.

SOURCE: Curis, Inc.

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